



# City of Loma Linda Official Report

Karen Gaio Hansberger, Mayor  
Floyd Petersen, Mayor pro tempore  
Robert Christman, Councilmember  
Stan Brauer, Councilmember  
Robert Ziprick, Councilmember

COUNCIL AGENDA: July 13, 2004  
TO: City Council  
VIA: Dennis R. Halloway, City Manager  
FROM: T. Jarb Thaipejr, Public Works Director/City Engineer  
SUBJECT: Ordering the Continued Maintenance of Landscape Maintenance  
District No. 1 pursuant to the 2004-2005 Annual Engineer's Report

## **RECOMMENDATION**

Staff recommends that City Council:

1. Approve the Engineer's Report;
2. Authorize levying the assessment for Fiscal Year 2004-05

## **BACKGROUND**

On June 22, 2004, City Council took several actions that included: appointing the engineer and ordering the preparation of the Annual Report; preliminarily approving the Engineer's Report and setting July 13, 2004, as the date for the public hearing.

## **ANALYSIS**

The Annual Report has been submitted by MuniFinancial, the Assessment Engineer. The total assessment for FY 04-05 will be \$305,302, which is an increase over last year's assessment of \$280,849. The increase is primarily due to the addition of Annexations 56 and 59 to the District. The expenditures for FY 04-05 are estimated to be \$359,000, which will exceed the assessment collected. The deficit will be funded by the General Fund.

## **ENVIRONMENTAL**

None

## **FINANCIAL IMPACT**

Account No. 71-5200-1820

## RESOLUTION NO.

## A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA ORDERING THE CONTINUED MAINTENANCE OF LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND CONFIRMING ENGINEER'S REPORT AND ASSESSMENT FOR 2004/2005 FISCAL YEAR

WHEREAS, the City Council of the City of Loma Linda did on the 22nd day of June 2004, adopt its Resolution of Intention No. 2337 to order the therein described work in connection with the continuation of assessment procedures in Landscape Maintenance District Number 1, which Resolution of Intention No. 2337 was duly and legally published in the time, form and manner as required by law, shown by the Affidavit of Publication of said Resolution of Intention on file in the Office of the City Clerk; and

WHEREAS, Proposition 218 was approved by the voters on November 5, 1996, added Articles XIIC and XIID to the California Constitution which exempts any assessments imposed when persons owning all of the parcels subject to the assessment agreed to being included in the District and subject to the assessment at the time the assessment is initially imposed; and

WHEREAS, said City Council having duly received and considered evidence, oral and documentary, concerning the jurisdiction facts in the proceeding and concerning the necessity for the contemplated work and the benefits to be derived therefrom, and said City Council having now acquired jurisdiction to order the proposed work; and

WHEREAS, the assessments for Annexations "Original and 1 through 52", for fiscal year 2004/2005, are not proposed to be increased and the assessments for Annexations 53 through 61 are not to be increased above the approved Consumer Price Index (CPI); and

WHEREAS, the current CPI has been determined to be 2.3 percent, calculated from the annual average; and

WHEREAS, notices and assessment ballots are not required if assessments are not increased other than for the amount of the current CPI.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Loma Linda as follows:

1. That the public interest and convenience requires the continuation of assessment procedures for the district, and said City Council hereby orders that the work and assessment, as set forth and described in said Resolution of Intention No. 2337 be done and made; and
2. That the report filed by the Engineer is hereby ordered changed, finally approved with ordered changes; and
3. That the assessments for fiscal year 2004/2005 and method of assessment in the Engineer's Report are hereby approved.

Resolution No.  
Page 2

PASSED, APPROVED AND ADOPTED this 13th day of July 2004 by the following  
vote:

Ayes:  
Noes:  
Abstain:  
Absent:

---

Karen Gaio Hansberger, Mayor

ATTEST:

---

Pamela Byrnes-O'Camb, City Clerk

CITY OF LOMA LINDA  
LANDSCAPE MAINTENANCE  
DISTRICT NO. 1  
ENGINEER'S ANNUAL LEVY REPORT  
Fiscal Year 2004/2005



INTENT MEETING: June 22, 2004  
PUBLIC HEARING: July 13, 2004



*Corporate Office*

27368 Via Industria  
Suite 110  
Temecula, CA 92590  
Tel: (909) 587-3500  
Tel: (800) 755-MUNI (6864)  
Fax: (909) 587-3510

*Office Locations*

Anaheim, CA	Pensacola, FL
Jacksonville, FL	Phoenix, AZ
Lancaster, CA	Sacramento, CA
Los Angeles Regional Office	Seattle, WA
Oakland, CA	

[www.muni.com](http://www.muni.com)

# ENGINEER'S REPORT AFFIDAVIT

## Landscape Maintenance District No. 1

City of Loma Linda

San Bernardino County, State of California

This Report describes the Landscape Maintenance District No. 1 and subsequent annexations (the "District") and services therein including the improvements, budgets, parcels and assessments to be levied for fiscal year 2004/2005 as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the San Bernardino County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

MuniFinancial  
Assessment Engineer  
On Behalf of the City of Loma Linda

By: \_\_\_\_\_

Jim McGuire  
Project Manager

By: \_\_\_\_\_

Richard Kopecy  
R. C. E. # 16742

## TABLE OF CONTENTS

---

I. OVERVIEW .....	1
A. Introduction .....	1
B. Compliance With Current Legislation .....	1
II. DESCRIPTION OF THE DISTRICT.....	3
A. Boundaries of the District .....	3
B. Description of the District Improvements and Services .....	6
III. METHOD OF APPORTIONMENT.....	7
A. General.....	7
B. Special Benefits .....	7
C. Self Maintenance or No Landscaping Improvements .....	8
D. Assessment Methodology .....	9
E. Assessment Range Formula .....	9
IV. DISTRICT BUDGET .....	11
A. Description of Budget Items.....	11
B. Assessment Details .....	12
C. District Budget Fiscal Year 2004/2005 .....	14
APPENDIX A - DISTRICT BUDGET.....	A
APPENDIX B - DISTRICT ASSESSMENT DIAGRAM.....	B
APPENDIX C - 2004/2005 ASSESSMENT ROLL.....	C
APPENDIX D - RESOLUTIONS .....	D

---

## I. OVERVIEW

### A. Introduction

The City of Loma Linda ("City") annually levies and collects special assessments in order to maintain the improvements within the City of Loma Linda Landscaping Maintenance District No. 1 ("District"). The District was formed in January 1976 with annexations to the District approved in subsequent years. Annual assessments are established pursuant to the *Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* (the "1972 Act").

This Engineer's Annual Levy Report ("Report") describes the District, any annexations or changes to the District, and the proposed assessments for fiscal year 2004/2005. The proposed assessments are based on the historical and estimated costs to maintain the improvements that provide special benefit to properties within the District. The costs of improvements and the annual levy include budgeted expenditures, deficits, surpluses, revenues, and reserves. Each parcel is assessed proportionately for only those improvements provided and for which the parcel receives special benefit.

For the purposes of this Report, the word "parcel" refers to an individual property assigned its own Assessor's Parcel Number (APN) by the County of San Bernardino Assessor's Office. The County of San Bernardino Auditor/Controller uses APNs and specific Fund Numbers to identify properties on the tax roll assessed for special district benefit assessments.

Following review of the Report and consideration of public comments and written protests at a public hearing, the City Council may order amendments to the Report or confirm the Report as submitted. Following approval of the Report, the Council may order the levy and collection of assessments for fiscal year 2004/2005 pursuant to the 1972 Act. In such case, the assessment information will be submitted to the County Auditor/Controller, and included on the property tax roll for each benefiting parcel for fiscal year 2004/2005.

### B. Compliance With Current Legislation

On November 5, 1996, California voters approved Proposition 218. This Constitutional amendment was the latest in a series of initiatives altering the revenue-raising discretion of California's local agencies. The provisions of the Proposition are set forth in the California Constitution Articles XIII C and XIII D.

As relevant to the District, California Constitution Article XIII D ("Article XIII D"), Sections 1 through 5, provide for additional substantive and procedural requirements, as outlined below.

In Proposition 218, "Assessments" are defined as:

*"...any levy or charge upon real property be an agency for a special benefit conferred upon the real property. 'Assessment' includes, but is not limited to, 'special assessment,' 'benefit assessment,' 'maintenance assessment,' and 'special assessment tax.'" Article XIII D Section 2b*

Although District assessments are generally collected on the property tax rolls, District "assessments" are not "taxes." Assessments are distinct from the regular one percent (1%) property tax and property tax debt overrides in that assessment rates are not levied on an ad valorem basis. The Levies contained in this Report are considered assessments under Proposition 218.

Proposition 218 requires that beginning July 1, 1997, new and existing assessments (with some exceptions) conform to new substantive and procedural requirements.

Parcels included in the original District formation and each subsequent annexation was conditioned to install landscape improvements before the development could proceed. In order to preserve the investment in the landscape improvements, the developer was conditioned to form a 1972 Act Maintenance District or annex Landscape Maintenance District No. 1. Each developer, who owned, at the time, the parcels subject to the assessment, agreed to the formation or annexation and the assessments being imposed. Subsequent owners of parcels were also made aware through title reports and Department of Real Estate "White Paper" reports that the parcels were in the District and subject to the assessments. Purchase of the parcel(s) was also an agreement to be subject to the assessments. Therefore, the assessments adopted for Landscape Maintenance District No. 1 prior to the passage of proposition 218 are exempt from the provisions of Article XIID Section 4 of the Constitution, provided the assessments are not increased. Subsequent increases, if any, will be subject to the procedure and approval process of Section 4 of Article XIID.

A new or increase in assessments, require certain noticing and meeting requirements by law. The Brown Act defines the terms "new or increased assessment" to exclude certain conditions. These certain conditions included "any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed." This definition was later confirmed by Senate Bill 919 (the proposition 218 implementing legislation).



## II. DESCRIPTION OF THE DISTRICT

### A. Boundaries of the District

The District consists of the original area formed in January 1976 and 61 subsequent annexations. Please refer to Appendix B for the District Assessment Diagram. The landscaping improvements provided by the district include the Barton Road frontage of Parcel Map 958 (Original) and the perimeter landscaping associated with various developments that make up each annexation. The following table lists the various areas and location of the landscaping improvements.

Annexation Number	Type of Development	Description of Area and Improvements
Original	Commercial	The Barton Road frontage of Parcel Map 958.
1	Residential	The Mountain View Avenue frontage and interior portions of Tracts 10131, 10132, and 10133.
2	Residential	The Mountain View frontage of Tract 9438.
3	Commercial	The Barton Road frontage of the Loma Linda Plaza Shopping Center.
4	Multi-Family	The Mountain View Avenue frontage of PPD 83-9.
5	Residential	The Bryn Mawr Avenue frontage of Tract 10134, 10135, 10136, and 10137.
6	Residential	The Mountain View Avenue frontage of Tract 9389.
7	Commercial	The Mountain View Avenue frontage of Tract 12734 and Parcel Maps 3231 and 4683.
8	Residential	The Mountain View Avenue frontage of Tract 10794 and Parcel Map 5241.
9	Commercial	The Redlands Boulevard frontage of PPD 80-2.
10	Multi-Family	The Mountain View Avenue frontage of Parcel Map 7277.
11	Commercial	The Redlands Boulevard frontage of Parcel Map 5564.
12	Residential	The Mountain View Avenue frontage of Tract 11446.
13	Residential	The Mountain View Avenue frontage of Tracts 9817 and 9817-1
14	Commercial	The Redlands Boulevard frontage of Parcel Map 7857.
15a	Residential	The Redlands Boulevard frontage of PPD 82-3 and the Whittier Avenue, Verde Grove Avenue and Lawton Street frontages of Tract 12458.
15b	Commercial	The Redlands Boulevard frontage of PPD 82-3 and the Whittier Avenue, Verde Grove Avenue and Lawton Street frontages of Tract 12458.
16	Multi-Family	The Redlands Boulevard frontage of Tract 12475.

Annexation Number	Type of Development	Description of Area and Improvements
17	Multi-Family	The Redlands Boulevard frontage of Tract 12609 and Tract 12881.
18	Residential	The Bryn Mawr Avenue and Beaumont Avenue frontages of Tract 12294.
19	Residential	The Bryn Mawr Avenue, Lawton Avenue, Whittier Avenue, and Beaumont Avenue frontages of Tract 11516 and Assessor's Parcel No. 293-053-01.
20	Multi-Family	The Mountain View Avenue frontage of PPD 84-2.
21	Multi-Family	The Redlands Boulevard frontage of PPD 84-12.
22	Commercial	The Redlands Boulevard frontage of Parcel Map 6643.
23	Commercial	The Redlands Boulevard, Camelot Lane, and Hampton Drive frontages of Tract 12771.
24	Commercial	The Barton Road frontage of PPD 85-3.
25	Commercial	The Mountain View and Redlands Boulevard frontages of Parcel Map 9198.
26	Commercial	The Redlands Boulevard frontage of Tract 12916.
27	Residential	The Bryn Mawr Avenue frontages and various interior streets of Tracts 10134 and 10135.
28	Commercial	The Redlands Boulevard and Mountain View Avenue frontages of PPD 86-5.
29	Residential	The Second Street and Bryn Mawr Avenue frontages of Tract 13046.
30	Commercial	The Redlands Boulevard frontage of PPD 85-13.
31	Residential	The Lawton Avenue and Bryn Mawr Avenue frontages of Tract 13449.
32	Commercial	The Mountain View Avenue and Cottonwood Road frontages of Parcel Map 10741.
33a	Commercial	The Barton Road and Redlands Boulevard frontages of PPD 87-16 and PPD 87-9.
33b	Commercial	The Barton Road and Redlands Boulevard frontages of PPD 87-16 and PPD 87-9.
34	Residential	The Second Street and Whittier Avenue frontages of Tract 13705.
35	Residential	The Lawton Avenue and Bryn Mawr Avenue frontages of Tract 13635.
36a	Commercial	The Redlands Boulevard frontages of PPD 86-17 and PPD 87-12.
36b	Commercial	The Redlands Boulevard frontages of PPD 86-17 and PPD 87-12.
37	Multi-Family	The Mountain View Avenue frontage of PPD 85-6.
38	Commercial	The Redlands Boulevard frontage of PPD 85-8.
39	Residential	The Beaumont Avenue boundary and various interior streets of Tract 13887.
40	Multi-Family	The Oakwood and Barton Road frontages of Parcel Map 11886.
41	Residential	The George, Whittier, Beaumont, and Bryn Mawr frontages and various interior streets of Tract 13943.

Annexation Number	Type of Development	Description of Area and Improvements
42	Residential	The Mountain View Avenue frontage of Tract 14216.
43	Multi-Family	The Mountain View and Prospect Avenue frontages of Tract 14339.
44	Commercial	The Beaumont Street frontage of Tract 12962.
45	Commercial	The Barton Road frontage of the mini-storage on Barton Road west of California Street.
46	Commercial	The Redlands Boulevard frontage of PPD 88-10.
47	Commercial	The Beaumont Avenue frontage and various interior streets of Tract 14545. (See Annexation 54.)
48	Residential	Barton Road Frontage (northwest corner of Barton Road and Benton Street)
49	Commercial	The Redlands Boulevard frontage of PPD 89-5.
50	Commercial	The Redlands Boulevard frontage of CUP 93-2.
51	Commercial	The Redlands Boulevard frontage of Tract 12916.
52	Commercial	The Redlands Boulevard frontage of CUP 93-5.
53	Commercial	The Redlands Boulevard frontage of the College Home Tract.
54	Residential	Tract Nos. 14544, 14545, 14552.
55	Residential	Tract No. 15071
56	Residential	Tract No. 15917, Van Leuven and San Timoteo Creek
57	Commercial	24913 Redlands Boulevard.
58	Residential	Tract No. 16016, Prospect Avenue and Mountain View.
59	Residential	Tract No. 14543, Lawton Avenue and Whittier Avenue.
60	Commercial	Along Barton Rd. between Mountain View and Bryn Mawr Ave.
61	Residential	Tract No. 16234, Cole Street east of Benton Street.

Landscaped areas are portions of easements or road rights-of-way previously granted to the City of Loma Linda, and the City has determined that properties within the District receive special benefit from the maintenance of these improvements.

## **B. Description of the District Improvements and Services**

Landscaping improvements have been completed along the Barton Road frontage of Parcel Map 958, (Original), the development that was the basis of the original district. There have been sixty-one, (61), subsequent annexations to the district, which are shown on the map included within this Report. Only those annexations having improvements to be maintained by the District are addressed within this Report.

The plans and specifications for the landscaping within each annexation have been prepared by the developer and have been approved as part of the improvement plans for the various developments. The plans and specifications for the landscaping are in conformance with the requirements of the City Council conditions of approval of said Parcel Maps, Tracts, and Planned Parcel Developments.

Reference is hereby made to said parcel maps, tracts and assessment diagrams for the exact location of the landscape areas. The plans and specifications by reference are hereby made a part of this Report to the same extent as if said plans and specifications were attached hereto.

### **III. METHOD OF APPORTIONMENT**

#### **A. General**

Pursuant to the 1972 Act and the provisions of the Article XIID, the costs of the District are apportioned by a formula or method, which fairly distributes the net amount to be assessed among the assessable parcels in proportion to the special benefits received by each such parcel from the improvements. Article XIID requires that only special benefits are assessable and that the agency shall separate the general benefit from special benefit.

Each parcel within the District receives special benefits from the improvements due to the close proximity of the landscaping improvements to each parcel.

#### **B. Special Benefits**

The method of apportionment (method of assessment) is based on the premise that each assessed parcel receives special benefit from the improvements maintained and funded by the assessments. Specifically, landscape improvements installed in connection with the development of these parcels. The desirability of properties within the District is enhanced by the presence of well-maintained landscaping improvements in close proximity to those properties.

The annual assessments outlined in this Report are based on the estimated costs to provide necessary services, operation, administration, and maintenance required to ensure the satisfactory condition and quality of each improvement. The District improvements include various landscaped areas and accompanying appurtenances that provide special benefits to various properties within the District.

The special benefits associated with the landscaping improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties within the District providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance and dust and debris control.
- Increased sense of pride in ownership of property within the District resulting from well-maintained improvements associated with the properties.

- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities.
- Enhanced environmental quality of the parcels by moderating temperatures, providing oxygenation and attenuating noise.

The preceding special benefits contribute to a special enhancement and desirability of each of the assessed parcels within the District.

### C. Self Maintenance or No Landscaping Improvements

The cost allocation/special benefit nexus to developed parcels in each annexation area is similar and appropriate for most parcels. However, there are specific parcels within select annexations that receive less special benefit because the properties are undeveloped and/or have no landscape improvements adjacent to the parcel. In addition, the landscape improvements in some annexations are currently maintained by the property owners and are proposed to be maintained by the property owners this coming fiscal year if approved by the City Council. Also, City, County and Redevelopment Agency annexations are exempt and are not assessed. The following is a list of annexations within this category and their status.

Type/Annexation No.	Status
3	Self Maintained
7	Self Maintained
8	Self Maintained
9	Self Maintained
11	Not Separately Assessed – Combined*
12	Not Separately Assessed – Combined*
13	Self Maintained
14	Self Maintained
15b	Self Maintained
23	Not Assessed - Government
25	Self Maintained
28	Self Maintained
30	Self Maintained
32	Not Assessed - No Landscaping
36a	Self Maintained
40	Self Maintained
43	Self Maintained
44	Not Assessed - No Landscaping
45	Not Assessed - Government
47	Not Separately Assessed – Combined*
49	Not Separately Assessed – Combined*
50	Self Maintained
57	Self Maintained
58	Self Maintained

60	Self Maintained
----	-----------------

*\*Annexations 11, 12, 47, and 49 were combined with other annexations and are no longer considered as separate annexations.*

Property owners having parcels within the District who are allowed to provide for their own landscape maintenance receive no assessment associated with the maintenance costs because these costs are paid directly to their own employees or contractor for this maintenance. They may also pay direct water costs to keep the landscaping alive and well. However, they will receive special benefit and be assessed for the costs associated with the Engineer's Report and District administration to ensure that the required landscaping will be maintained to the standards established by the City and anticipated when the improvements were initially required.

Since this special benefit is associated with each annexation area, the assessments are based on the number of units of assessment for each annexation area. Thus, the assessments are the same to administer and to prepare the Engineer's Report for the annexation areas providing their own landscape maintenance.

#### **D. Assessment Methodology**

The cost to provide maintenance and services of the improvements within each annexation and the original area is fairly and equitably distributed among each assessable parcel based upon the estimated special benefit received by each parcel.

Assessable parcels within each annexation and the original area receive the same special benefit from the improvements due to their similarity in size and use and their similar proximity to the improvements. Therefore, each assessable parcel is assessed an equal amount.

For fiscal year 2004/2005, the assessment rate within each annexation and the original area will be the Balance to Levy divided by the number of assessable parcels.

#### **E. Assessment Range Formula**

An assessment range formula for the District assessments has been confirmed through property owner ballot proceedings in compliance with Article XIID, except those existing assessments within the District which qualified as exempt assessments pursuant to Article XIID, Section 5 of the Constitution and did not require a ballot proceeding under the provisions of Section 4. The assessment range formula shall be applied to future assessments within the District. The following describes this assessment range formula:

Wherein, if the proposed assessment (levy per unit or rate) is less than or equal to, the prior year's maximum assessment plus the adjustments described in the

following, then the proposed assessment is not considered an increased assessment. The purpose of establishing an assessment range formula is to provide for reasonable increases and inflationary adjustment to the assessment amounts without requiring costly noticing and mailing procedures, which would be added to the District costs and assessments.

If the proposed assessment is less than the maximum assessment approved in the previous fiscal year adjusted by a percentage no greater than the annual percentage increase of the Consumer Price Index (CPI), the assessment shall not be considered as an increase.

*For Annexations 51, 52, 53, 54, 55, 56, 57, 58, 59, 60 and 61*, the base total assessment may be increased in each succeeding year by the San Bernardino County Consumer Price Index. Such assessment adjustments shall not be considered an increase in assessment and shall not require that a notice or Assessment Ballot be sent to property owners within these annexation areas. The base assessment amount will be the amount originally noticed and approved by the property owners at the time of formation and adjusted annually to establish the new maximum assessment amounts. An increased assessment that exceeds this adjusted maximum assessment amount will require property owner balloting approval before the increase may be imposed.



## IV. DISTRICT BUDGET

### A. Description of Budget Items

The following is a brief description of the costs associated with the improvements and services funded through the District.

#### DIRECT COSTS:

*Maintenance Costs/Labor* — Includes regularly scheduled labor and general maintenance cost including wages, salaries, benefits and contract services required to properly maintain and ensure the satisfactory condition of the improvements and appurtenant facilities.

*Utilities* — The furnishing of water and electricity required for the operation and maintenance of the improvements and facilities.

*Capital Repairs and Improvements* — This item includes repairs to the improvements and facilities that are not included in the yearly maintenance costs. This may include repair of damaged amenities due to vandalism, storms, etc. Also included may be planned upgrades or replacements of the improvements and equipment that provide a special benefit to the District. Includes materials, supplies (e.g. pipe, fertilizer, insecticides, fuel, cleaning material etc.), and equipment (e.g. communication, small tools, rentals, machinery etc.) required to operate, maintain and ensure the satisfactory condition of the improvements and appurtenant facilities.

#### ADMINISTRATIVE COSTS:

*Administration/Operations/Insurance*— May include the administrative and professional service costs associated with the coordination of District services and operations including response to public concerns and education, procedures associated with the levy and collection of assessments, the costs of contracting with professionals to provide administrative, legal or engineering services specific to the District, and the cost for the County to collect assessments on the property tax bills.

*Professional Services* — The cost of contracting with professionals to provide services specific to the levy of assessments and annual administration of the District.

*Credit/Adjustments*—If there is a surplus or a deficit in the improvement fund of an annexation at the end of any fiscal year, the surplus or deficit shall be carried forward to the next annual assessment to be levied within such annexation and applied as a credit or a debit, as the case may be, against such annexation.

**Total Number of Parcels**— The total number of parcels within the District.

**Total Parcels Levied** — The total number of parcels within the District that are assessed. Non-assessable lots or parcels include properties that have been determined to receive no special benefits from the improvements and may include land principally encumbered by public or other right-of-ways or easements, common areas, and/or parcels that have restricted use or development potential.

**Levy per Parcel (shown in Appendix "A")**— This amount represents the assessment rate being applied to each assessable parcel in each area. The Levy per Parcel is the result of dividing the Balance to Levy per area by the sum of the number of assessable parcels.

## B. Assessment Details

### Credit/Adjustments to Levy Amounts

Throughout the District there are certain annexations that receive different considerations in determining their annual assessments.

*Annexations 3, 7, 8, 9, 13, 14, 15b, 25, 28, 30, 36a, 40, 43, 50, 57, 58 and 60* are self maintained areas, and assessments are reduced to reflect only administrative costs associated with the area.

The property owners in *Annexation 3* began to self maintain their landscaping beginning on January 1, 2001. There is a credit of \$2,751.00 beginning with fiscal year 2000/2001 levy to credit the Administrative Costs associated with the area. The following table shows the amount used to credit the levy for the fiscal year 2004/2005 and prior.

Credit Available as of FY 2000/2001	\$2,751.00
Credit Amount Used for FY2001/2002	(796.00)
Credit Amount Used for FY2002/2003	(796.00)
Credit Amount Used for FY2003/2004	(796.00)
Credit Amount Used for FY2004/2005	(363.00)
<b>Credit Remaining</b>	<b>\$0.00</b>

*Annexation 15B* received credits as a result of costs being lower than estimated of maintenance and water in past years. The amount of available credit at the end of fiscal year 1996/1997 was \$2,288.53. The following table shows the amounts used to credit the levy for each subsequent fiscal year.

Credit Available as of FY 1996/1997	\$2,288.53
Credit Amount Used for FY1997/1998	(346.00)

Credit Amount Used for FY1998/1999	(12.00)
Credit Amount Used for FY1999/2000	(10.00)
Credit Amount Used for FY2000/2001	(10.00)
Credit Amount Used for FY2001/2002	(10.00)
Credit Amount Used for FY2002/2003	(10.00)
Credit Amount Used for FY2003/2004	(10.00)
Credit Amount Used for FY2004/2005	(10.00)
<b>Credit Remaining</b>	<b>\$1,870.53</b>

*Annexations 11, 12, 47, and 49* were combined and are no longer separately assessed annexations. In addition, *Annexations 23, 32, and 44* have no landscaping and are not assessed.

The landscaping improvements for *Annexation 56* have been installed and the City has accepted the improvements. This annexation will be assessed for the first time beginning with fiscal year 2004/2005.

As previously mentioned, *Annexations 51, 52, 53, 54, 55, 56, 57, 58, 59, 60 and 61*, receive an annual increase in their maximum assessments based on the annual CPI index.

**C. District Budget Fiscal Year 2004/2005**

The following information has been established by order of the City Council.

**Fiscal Year 2004/2005  
Landscape Maintenance District No. 1  
District Budget Totals**

<b><u>Direct Costs</u></b>	
<i>Maintenance</i>	\$ 154,454
<i>Utilities</i>	130,706
<i>Capital Repairs/Improvements</i>	24,301
<i>Subtotal</i>	<u>\$309,461</u>
<b><u>Administrative Costs</u></b>	
<i>Administration/Operations/Insurance</i>	\$39,841
<i>Professional Services</i>	13,152
<i>Subtotal</i>	<u>\$52,993</u>
Total Direct and Administrative Costs	\$362,454
Credit/Adjustments	(373)
Total Required FY 04/05	<u>362,081</u>
Other Revenue Sources	(56,779)
<b><i>Balance to Levy</i></b>	<u><b>\$305,302</b></u>
 Total Number of Parcels	 1,854
Total Parcels Levied	1,844

*Please refer to the section entitled "Appendix A - District Budget" for further details.*

Balance of Surplus 6/30/2003	\$43,870
Assessments 2003/2004	280,849
Expenditures 2003/2004	(327,800)
<b>Estimated Shortfall at 6/30/2004</b>	<u><b>(\$3,081)</b></u>
 Anticipated Assessments 2004/2005	 \$305,302
Anticipated Expenditures 2004/2005	(359,000)
Anticipated Shortfall FY 6/30/2005	(53,698)
Estimated Shortfall at 6/30/2004	(3,081)
<b>Grand Total (Shortfall)</b>	<u><b>(\$56,779)</b></u>

## APPENDIX A - DISTRICT BUDGET

The following pages contain detailed District Budget Information for fiscal year 2004/2005.

## **APPENDIX B - DISTRICT ASSESSMENT DIAGRAM**

An Assessment District Diagram has been prepared for the District in the format required by the Act and is on file with the City Clerk and, by reference, is made part of this Report. The Assessment Diagram is available for inspection at the Office of the City Clerk during normal business hours.

## APPENDIX C - 2004/2005 ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the San Bernardino County Assessor Parcel Maps and/or the San Bernardino County Secured Tax Roll for the year in which this Report is prepared.

Non-assessable lots or parcels may include government owned land, public utility owned property, land principally encumbered with public right-of-ways or easements and dedicated common areas. These parcels will not be assessed.

Parcel listing of the District, along with the proposed assessment amounts, has been submitted to the City Clerk and, by reference, are made part of this Report.

Upon approval of the Engineer's Annual Levy Report and confirmation of the assessments, the assessment information will be submitted to the County Auditor/Controller and included on the property tax roll in fiscal year 2004/2005. If the parcels or assessment numbers within the District and referenced in this Report are re-numbered, re-apportioned or changed by the County Assessor's Office after approval of the Report, the new parcel or assessment numbers with the appropriate assessment amount will be submitted to the County Auditor/Controller. If the parcel change made by the County includes a parcel split, parcel merger or tax status change, the assessment amount submitted on the new parcels or assessment numbers will be based on the method of apportionment and levy amount approved in this Report by the City Council.

## APPENDIX D - RESOLUTIONS